DECLASSIFIED AND RELEASED BY BENTRAL INTELLIGENCE AGENCY BOURCES METHODS EXEMPTION 3828 NAZI WAR CRIMES DISCLOSURE ACT

COURTER

DISPATCH NO. _EGI_A_19354

TO : Chief, EE

6 June 1956 DATE

FROM: Chief of Base, Pullach

INFO: COS

GENERAL - Operational/CART/UPSWING SUBJECT

SPECIFIC - Fall ANEXDOTE

REF: EGIA-18644 & KOELLWER 201

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- 1. We have received the following additional information concerning subject case. The cover name given the agent is "KOBER," and his latest meeting with his Czech IS contact was scheduled for 8 May in Vienna, not in the "latter part of April" as stated in Reference.
- 2. The most recent operational planning of UPSWING in this case involved the consideration being given to the possibility of recruiting Franz KRAUTZBERGER to handle V-22354. Since the two men are friends of long standing and both are Sudeten Germans, UPSWING has tentatively concluded that KRAUTZBERGER offered the best available potential for handling V-22354. The former, known to @ KUTZBACH (UPSWING Headquarters case officer) and a fellow officer of his in the Brandenburg Division (Abwehr II), had not been approached on this matter as of the latter part of April.
 - 3. In fact, there appeared to be many unanswered questions about KRAUTZBERGER himself. The following additional background on him was obtained: He is presently the owner of a shoe polish factory somewhere in the vicinity of Munich. For some time after the war he lived in Vienna where he has many relatives, and from where his wife (name unknown) originally came. During his stay in Vienna, KRAUTZBERGER is said to have held a responsible job in USIA. (VOB traces are being requested in a separate dispatch.) Although KRAUTZBERGER apparently has certain assets which recommend him for the agent handler position in this case, he is by no means a clear figure. @ KUTZBACH mentioned his former UPSWING status (which evidently was only developmental), but he did not speak of the reasons POB learned (cited in MGLA-9781) why he refused to work for the Organization; namely, that he did not

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respect UTILITY and "his lieutenants" as intelligence officers. @ KUTZBACH himself indicated that there is some doubt about KRAUTZBERGER's Western orientation, but he gave no specific example to substantiate those feelings, except to cite the USIA job as an item possibly not in his favor.

- 4. SKUTZBACH gave the undersigned the impression that the chief difficulty lies in the fact that both KRAUTZBERGER and V-22354 are Sudeten Germans. He pointed out at length the problems of dealing with this national group and stated that considerable time would be involved in determining the motivations of both these men.
- 5. The undersigned had asked @ KUTZBACH specifically regarding the reasons why UPSWING is treating this case in a particularly sensitive manner. In reply he stated his belief that not only might this case become a high-level one, but also that the characters of the principals involved called for special treatment.

Approved by:

SECREI

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